

MINUTES OF THE REGULAR MEETING
OF THE
PUBLIC BUILDING COMMISSION OF McLEAN COUNTY, ILLINOIS

Tuesday, December 6, 2016, 3:30 p.m. CDT

The Regular Meeting of the Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Chairman Novosad on December 6, 2016 in Room 404 of the Government Center, 115 East Washington Street, Bloomington, McLean County, Illinois.

Secretary Morel called the roll, with the following members answering "present": Messrs. Novosad, Zeunik, Morel, Zimmerman, Harris, Good, and Schultz. Chairman Novosad noted the presence of a quorum. Messrs. Funk and Farnsworth were absent.

Also present were Commission Attorney Robert Porter; Commission Treasurer James Mulligan; Assistant McLean County Administrator Hannah Eisner; McLean County Director of Facilities Management Jack Moody; McLean County Director of Administrative Services Eric Schmitt; and Project Manager John Bishop of the Farnsworth Group, Inc.

Edith Brady-Lunny of *The Pantagraph* was present. There were no other members of the media, press, and/or radio present.

Chairman Novosad presented the Minutes of the November 1, 2016 Regular Meeting of the Commission for approval. Chairman Novosad asked if there were any corrections, additions, and/or revisions to the Minutes. Hearing none, Chairman Novosad asked for a Motion to approve the Regular Meeting Minutes. It was moved by Mr. Zeunik and seconded by Mr. Zimmerman that the Minutes of the November 1, 2016 Regular Meeting be approved as submitted. Chairman Novosad called for a vote on the Motion to approve the Minutes and the Motion was unanimously approved by voice vote.

Chairman Novosad then asked Commission Treasurer James Mulligan to present the Treasurer's Report for the fiscal year. Mr. Mulligan first noted that certain of the Commission's internal certificates of deposit ("CDs") at Bloomington-Normal Community Bank, in the amount of approximately twenty million dollars and 00/100 (\$20,000,000.00), would mature at the end of January 2017. Mr. Mulligan indicated that these were "Project Fund" dollars and that he would look to Project Manager John Bishop of the Farnsworth Group, Inc. to provide guidance as to cash flow needs once construction of the Law & Justice Center Expansion Project begins in earnest in the spring of 2017. Mr. Mulligan specifically noted that those funds not needed to meet construction-related expenses in the first six (6) months of 2017 would be re-invested in either U.S. Treasuries or

another comparable investment vehicle. Mr. Mulligan stated that this issue would be further addressed at the Commission's January meeting.

Mr. Mulligan further stated that the Commission had made recent debt service payments on the Series 2010, 2013, and 2015 Public Building Revenue Bond Issues. Mr. Mulligan next noted that the list of disbursements for the Commission to consider and approve were listed on page sixteen (16) of the Treasurer's Report. Mr. Mulligan lastly noted that a drawdown schedule for the Law & Justice Center Expansion Project had been added to the Treasurer's Report.

Commission Attorney Robert Porter then added that Sulaski & Webb, CPAs had begun work on the Commission's Fiscal Year 2016 Audit and that he anticipated the Audit would be completed in early 2017.

Chairman Novosad then asked if there were any additional questions for Mr. Mulligan on the Treasurer's Report. Hearing none, Chairman Novosad asked for a Motion to approve the Treasurer's Report and proposed payments as submitted. It was moved by Mr. Good and seconded by Mr. Harris that the Treasurer's Report and proposed payments be approved as submitted. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad then turned to the Commission's "New Business" and asked County Director of Facilities Management Jack Moody to provide the Commission with a status report on the Government Center and Juvenile Detention Center roof replacements. Mr. Moody noted that Henson Robinson Company had recently begun work at the Juvenile Detention Center. Mr. Moody estimated that it would take six (6) to seven (7) days to replace the roof at the Juvenile Detention Center and that work on the Government Center would not commence until the Juvenile Detention Center's roof had been replaced.

Chairman Novosad asked Mr. Moody whether the roof replacement work could continue apace throughout the winter and Mr. Moody responded in the affirmative. Mr. Moody then noted that the new roofs would be mechanically adhered and could sustain wind speeds of up to seventy-five (75) miles per-hour.

Chairman Novosad next turned to the Commission's "Old Business" and asked Mr. Moody and Assistant County Administrator Hannah Eisner to discuss the McLean County Law & Justice Center Expansion Project.

Mr. Moody noted that the Law & Justice Center Expansion Project's Design Development Package was approved by the County Board's Property Committee at the Committee's meeting on December 1, 2016. Mr. Moody further indicated that he, County Sheriff Jon Sandage, and County Administrator Bill Wasson had signed off on a memorandum to this effect, which memorandum was distributed to the Commissioners for their review and records.

With regard to the memorandum, Ms. Eisner noted that it was being delivered to the Commission at the request of Mr. Porter. Ms. Eisner noted that the memorandum was intended to memorialize the fact that the County stakeholders did in fact approve the Design Development Package.

Mr. Bishop then addressed the Law & Justice Center Expansion Project's winter site preparation work. Mr. Bishop specifically noted that a bid opening had occurred on December 1, 2016 and that Stark Excavating, Inc. submitted the only bid of three hundred sixty-six thousand dollars and 00/100 (\$366,000.00). Mr. Bishop indicated that this bid contained a soil contingency. Mr. Bishop further stated that Don Adams of the Farnsworth Group, Inc. had discussed the scope of the work with representatives of Stark Excavating, Inc. and that Mr. Adams felt confident that Stark Excavating, Inc. fully understood the scope of the work.

Chairman Novosad inquired as to whether the bid for the winter site preparation work came back below budget. Mr. Bishop responded by indicating that the bid came back ten percent (10%) below the budget estimate prepared by Wight & Company.

Chairman Novosad then asked Mr. Bishop whether he had any concern about the fact that just one (1) entity submitted a bid on the winter site preparation work. Mr. Bishop indicated that he was not concerned as most general contractors could not handle the winter site preparation work as a single bid. Mr. Bishop stated that there was no reason to do a "re-bid" for the work. Mr. Bishop did state that Stark Excavating, Inc. would credit the Commission twenty-six thousand one hundred twenty-five dollars and 00/100 (\$26,125.00) in the event that Stark Excavating, Inc. did not have to carry professional liability insurance.

Chairman Novosad inquired as to whether contractors were typically required to carry professional liability insurance and Mr. Bishop responded by noting that Stark Excavating, Inc. found the requirement to be excessive.

Mr. Bishop next turned to the Design Development Package and noted that the Property Committee was presented with both interior and exterior images at its December 1st meeting. Mr. Bishop stated that the Design Development Package received favorable reviews from County Board Property Committee Chairman Paul Segobiano as well as Sheriff Sandage.

Mr. Bishop then noted that the Law & Justice Center Expansion Project's budget estimate fell within the total Project budget. Mr. Bishop indicated that the budget estimate presented two (2) different options for the exterior skin – pre-cast concrete versus metal panel – and that the use of pre-cast concrete would result in significant cost savings. Mr. Bishop stated that the County's preference was to use pre-cast concrete.

Chairman Novosad noted that Mr. Harris had previously raised concerns about the difference in energy and long-term maintenance costs between a pre-cast concrete and metal panel. Mr. Bishop

responded by noting that the operating costs would be similar, but that pre-cast concrete offers greater durability.

Mr. Harris then asked Mr. Bishop to confirm that the difference in energy cost between pre-cast concrete and metal panel would be a wash and Mr. Bishop responded in the affirmative. Mr. Bishop then noted that another advantage of pre-cast concrete over metal panel is that pre-cast concrete would require fewer joints.

Chairman Novosad asked whether both pre-cast concrete and metal panel would be put out to bid. Mr. Bishop responded by noting that the bid specifications would just include pre-cast concrete save for that portion of the connecting bridge that would feature metal panels.

Ms. Eisner stated that the County's preference was to utilize pre-cast concrete on the expanded facility. Ms. Eisner noted that the County was very sensitive to the appearance of the building.

With respect to the Design Development Package's budget estimate, Mr. Bishop indicated that the estimate made a distinction between the cost of the new building, renovation cost, and cost of the connecting bridge. Mr. Bishop then specifically addressed the scope of the renovation and noted that it would feature re-roofing work on the south pod, a quadrupling of the size of the health services unit, an increase in size of the rooms devoted to support services, the placement of a security grading system over the recreation yard, and the placement of new electronics in the control room.

Mr. Bishop next addressed the Law & Justice Center Expansion Project's schedule. Mr. Bishop specifically noted that Wight & Company had provided him with a schedule validation. Mr. Bishop stated that the schedule validation confirmed that the commencement of the winter site preparation work would allow for more time to place the prime contract out for bid. Mr. Bishop specifically indicated that he intended to place the main package out for bid at the end of February 2017. Mr. Bishop indicated that the Project would be substantially complete by September 2018 with renovations completed by May or June of the following year.

Mr. Bishop then discussed the issue of asbestos abatement in the Law & Justice Center. Mr. Bishop indicated that Ideal Environmental Engineering, Inc. estimated that it would cost between twenty to twenty-five thousand dollars and 00/100 (\$20,000.00 - \$25,000.00) to abate the asbestos detected during Ideal Environmental Engineering, Inc.'s initial survey. However, Mr. Bishop noted that the Commission had requested an additional survey of those areas of the original Law & Justice Center that were not initially tested by Ideal Environmental Engineering, Inc. Mr. Bishop indicated that the additional survey work would cost approximately six thousand dollars and 00/100 (\$6,000.00). Mr. Bishop stated that the actual abatement work would not occur until closer to the renovation work.

Chairman Novosad stated that he was a proponent of removing all known asbestos from the

Law & Justice Center.

Mr. Harris then noted that the budget estimate that Mr. Bishop provided to the Commission presented the cost of the Project in terms of dollars per-square-foot and compared this cost to other jail projects performed by HOK. Mr. Harris asked Mr. Bishop whether these other projects were of a similar size and scope as the Law & Justice Center Expansion Project. Mr. Bishop responded by noting that the other projects varied in size and scope.

Ms. Eisner stated that the County was pleased that the Design Development Package's budget estimate came in below budget and Mr. Moody added that he believed that the bids for the prime contract would be competitive.

Chairman Novosad next inquired of Mr. Moody as to whether a new electric feed had recently been installed at the Law & Justice Center. Mr. Moody responded by noting that Ameren replaced two (2) lines located near the Coliseum on December 3, 2016.

Chairman Novosad then asked whether there were any additional questions or comments regarding the status of the Law & Justice Center. Hearing none, Chairman Novosad asked for a Motion to approve the Design Development Package for the McLean County Law & Justice Center Expansion Project. It was moved by Mr. Harris and seconded by Mr. Zimmerman to approve the Design Development Package for the McLean County Law & Justice Center Expansion Project and the Motion was unanimously approved by voice vote.

Chairman Novosad next noted, at its November 1, 2016 meeting, that the Commission voted to authorize him to execute a contract with the low bidder on the winter site preparation work for the Law & Justice Center Expansion Project at a not-to-exceed amount of one million five hundred thousand dollars and 00/100 (\$1,500,000.00). Accordingly, Chairman Novosad noted that no further action was required.

Chairman Novosad then asked Mr. Porter to address the ratification of the submission of the Application for Highway Permit to the Illinois Department of Transportation. Mr. Porter indicated that part of the Law & Justice Center Expansion Project would consist of the construction of a thirty-three and-a-half (33 ½) foot commercial entrance off of East Street as well as sidewalk, curbing, and gutter replacements. Mr. Porter stated that the Commission is required to seek a permit from the Illinois Department of Transportation for this work. Mr. Porter noted that Chairman Novosad signed such an Application for Highway Permit on November 29th, which Application, Mr. Porter noted, was contained in the Commissioners' meeting packets. Mr. Porter noted that the Application itself principally consisted of design drawings and performance specifications for the work. Mr. Porter indicated that the Commission would need to vote to ratify Chairman Novosad's submission of the Application for Highway Permit to the Illinois Department of Transportation.

Chairman Novosad then asked whether there were any additional questions or comments regarding the ratification of the submission of the Application for Highway Permit to the Illinois

Department of Transportation. Hearing none, Chairman Novosad asked for a Motion to ratify his submission of the Application for Highway Permit to the Illinois Department of Transportation. It was moved by Mr. Zeunik and seconded by Mr. Good to ratify Chairman Novosad's submission of the Application for Highway Permit to the Illinois Department of Transportation and the Motion was unanimously approved by voice vote.

Chairman Novosad then noted that the Commission had been presented with an invoice from the Farnsworth Group, Inc. in the amount of one hundred forty-eight thousand five hundred fifty-six dollars and 91/100 (\$148,556.91). This amount represents the fee incurred by the Farnsworth Group, Inc./HOK during the month of November.

Chairman Novosad asked Mr. Moody whether the invoice was in order. Mr. Moody indicated that the invoice was in order and that it represented costs associated with the completion of the first fifteen-percent (15%) of the construction document phase.

Chairman Novosad then asked if there were any questions or comments regarding the Farnsworth Group, Inc.'s November invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to the Farnsworth Group, Inc. in the amount of one hundred forty-eight thousand five hundred fifty-six dollars and 91/100 (\$148,556.91) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the Law & Justice Center Expansion Project during the month of November 2016. It was moved by Mr. Good and seconded by Mr. Harris to approve payment to the Farnsworth Group, Inc. in the amount of one hundred forty-eight thousand five hundred fifty-six dollars and 91/100 (\$148,556.91) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for services rendered on the Law & Justice Center Expansion Project during the month of November 2016. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next noted that the Commission had been presented with an invoice from Ideal Environmental Engineering, Inc. in the amount of two thousand seven hundred seventy-five dollars and 00/100 (\$2,775.00) for the performance of a limited environmental survey of the Law & Justice Center. Chairman Novosad reminded the Commission that Ideal Environmental Engineering specifically conducted its asbestos testing on those areas of the existing Law & Justice Center that will be impacted by the new construction.

Chairman Novosad then asked if there were any questions or comments regarding Ideal Environmental Engineering, Inc.'s invoice. Hearing none, Chairman Novosad asked for a Motion to approve payment to Ideal Environmental Engineering, Inc. in the amount of two thousand seven hundred seventy-five dollars and 00/100 (\$2,775.00) from the Series 2015 Public Building Revenue Bond Issue's "Project Fund" for the performance of a limited environmental survey of the Law & Justice Center. It was moved by Mr. Zimmerman and seconded by Mr. Zeunik to approve payment to Ideal Environmental Engineering, Inc. in the amount of two thousand seven hundred seventy-five dollars and 00/100 (\$2,775.00) from the Series 2015 Public Building Revenue Bond Issue's "Project

Fund” for the performance of a limited environmental survey of the Law & Justice Center. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad thereafter indicated that the Commission had been presented with a proposal from Ideal Environmental Engineering, Inc. to conduct a broader asbestos survey throughout the first (1st) three (3) floors of the Law & Justice Center. Chairman Novosad indicated that Ann Skeate of Ideal Environmental Engineering, Inc. had estimated that this additional survey work would not exceed six thousand dollars and 00/100 (\$6,000.00). In light of the additional surveying work, Chairman Novosad noted that the Commission would likely not consider approving actual asbestos abatement until the summer of 2017.

Chairman Novosad then asked if there were any questions or comments regarding Ideal Environmental Engineering, Inc.’s proposal. Hearing none, Chairman Novosad asked for a Motion to approve a contract with Ideal Environmental Engineering, Inc. for a broader asbestos survey of the Law & Justice Center at a not-to-exceed amount of six thousand dollars and 00/100 (\$6,000.00). It was moved by Mr. Good and seconded by Mr. Harris to approve a contract with Ideal Environmental Engineering, Inc. for a broader asbestos survey at a not-to-exceed amount of six thousand dollars and 00/100 (\$6,000.00). Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad next requested that Mr. Porter address the approval of the 2017 Amendment to the Amended and Restated Lease Agreement. Mr. Porter reminded the Commission that it amended the Amended and Restated Lease Agreement with the County on October 6, 2015, which amendment had the effect of setting the County’s annual lease payments to the Commission at ten million dollars and 00/100 (\$10,000,000.00). Mr. Porter stated that the County Clerk accordingly has an ordinance on file that sets the County’s levy at ten million dollars and 00/100 (\$10,000,000.00) for each year through 2034. Mr. Porter stated that the ten million dollar and 00/100 (\$10,000,000.00) figure was established to give the County a degree of flexibility in terms of setting its levy. Mr. Porter noted that the ten million dollar and 00/100 (\$10,000,000.00) figure is higher than actual debt service and operation and maintenance costs on any given year.

Mr. Porter noted that, as a result of the foregoing, the County, City, and Commission are called on to amend the Amended and Restated Lease Agreement each year to ensure that the lease amount equals the amount the Commission actually needs to meet debt service, operation and maintenance costs, and its own administrative costs. Mr. Porter stated that the required figure from the County in 2017 would be five million eight hundred three thousand two hundred eighty-five dollars and 00/100 (\$5,803,285.00). Mr. Porter noted that this figure was derived by totaling debt service payments on the Series 2015, 2013, and 2010 Public Building Revenue Bond Issues, operation and maintenance costs for the Law & Justice Center, Government Center, and Old Courthouse, and the Commission’s anticipated administrative expenses. Mr. Porter further indicated that the City’s 2017 lease payment would be reduced by eighty-eight thousand nine hundred ninety-two dollars and 00/100 (\$88,992.00). Mr. Porter stated that this reduction was attributed to the fact that the Amended and Restated Lease Agreement anticipated an annual increase in operation and

maintenance expenses for the Government Center. However, Mr. Porter noted that the costs have decreased.

Mr. Porter indicated that once the Commission, County, and City sign off on the Amendment, an abatement certificate will be filed with the County Clerk, which will allow the Clerk to extend a lower property tax amount.

Mr. Good noted that the County's 2016 lease payment had been four million four hundred eighty-three thousand eight hundred eighty-nine dollars and 00/100 (\$4,483,889.00) and questioned why the 2017 lease payment had increased by over one million dollars and 00/100 (\$1,000,000.00). In response, Mr. Porter noted that the initial interest payment on the Series 2015 Public Building Revenue Bond Issue had been paid from the premium the Commission received when it sold the Bonds, but that in 2017 both interest payments would need to be paid out of lease payments.

Chairman Novosad then asked whether there were any additional questions or comments regarding the 2017 Amendment to the Amended and Restated Lease Agreement. Hearing none, Chairman Novosad asked for a Motion to approve the 2017 Amendment to the Amended and Restated Lease Agreement. It was moved by Mr. Good and seconded by Mr. Zimmerman to approve the 2017 Amendment to the Amended and Restated Lease Agreement. Upon a roll call vote, all Commissioners voted in favor of the Motion.

Chairman Novosad then requested that Mr. Porter address the 2017 Amendment to the Contract for Operation and Maintenance. Mr. Porter indicated that the County and Commission entered into a Contract for Operation and Maintenance on May 17, 2016, which Contract vests responsibility for operation and maintenance of all Commission-owned facilities with the County. Mr. Porter noted that the Contract requires the Commission and County to agree to an operation and maintenance budget each year. Mr. Porter indicated that the County had advised that the cost of operation and maintenance for calendar year 2017 would be two million eight hundred twenty-eight thousand two hundred thirty-four dollars and 00/100 (\$2,828,234.00).

Chairman Novosad asked whether there were any questions or comments regarding the 2017 Amendment to the Contract for Operation and Maintenance. Hearing none, Chairman Novosad asked for a Motion to approve the 2017 Amendment to the Contract for Operation and Maintenance. It was moved by Mr. Zeunik and seconded by Mr. Harris to approve the 2017 Amendment to the Contract for Operation and Maintenance. Upon a roll call vote, all Commissioners voted in favor of the Motion.

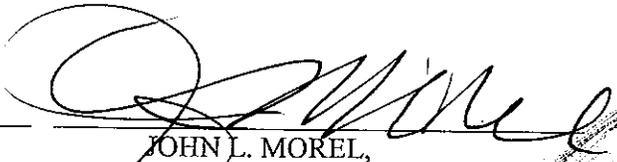
Chairman Novosad thereafter turned to the Commission's "Other Business" and Mr. Moody requested to speak. Mr. Moody noted that four (4) sprinkler heads in the sally port of the McLean County Jail needed to be replaced. Mr. Moody described this work as an "emergency." Mr. Moody indicated that the County had already received one (1) bid to replace the sprinklers in the amount of twenty-two thousand five hundred seventy-five dollars and 00/100 (\$22,575.00) and that the County

was still seeking additional bids. Mr. Moody indicated that the County would likely look to the Commission for funding and Chairman Novosad noted that it may be appropriate for the County to utilize the unspent portion of the Capital Improvement Loan for the work.

Chairman Novosad asked whether there were any questions or comments for Mr. Moody regarding the replacement of four (4) sprinkler heads in the sally port of the McLean County Jail. Hearing none, Chairman Novosad asked for a Motion to adjourn. It was moved by Mr. Harris and seconded by Mr. Schultz that the meeting adjourn and the Motion was unanimously approved by voice vote. The meeting was adjourned at 4:35 p.m. The next regular meeting of the Commission will be Tuesday, January 3, 2016, at 3:30 p.m.

APPROVED:

January 3, 2017


JOHN L. MOREL,
Secretary, Public Building Commission